**Failing Economy Predicts Worse Health**

By [**KATHLEEN KINGSBURY**](http://www.time.com/time/letters/email_letter.html)Monday, May. 05, 2008

Health care in the U.S. is expensive. That much is plain to many Americans these days. But as the economy spirals downward, a series of recent reports forecasts that the country's health-care crisis is about to get worse, particularly for children.

A study conducted at Cincinnati Children's Hospital Medical Center and released Saturday analyzed data on more than 15,000 children in Ohio, and found that kids who did not have continuous health insurance were 14 times less likely to have regular visits with a pediatrician than those who did. They were also three times less likely to fill prescriptions for necessary medication. "These unmet medical needs directly put a child's health at risk," says Gerry Fairbrother, a researcher on health policy at Cincinnati Children's.

In a second study, Fairbrother concluded that children who were covered by private insurance were over three times more likely than government-insured children to lose their coverage if a parent lost or quit a job. That's a scenario increasingly familiar to Americans. "Higher unemployment figures mean more and more families are ending up uninsured now," Fairbrother says. Moreover, she adds, they're not getting access to the public insurance to which they're entitled, because of budget cuts. "The federal government needs to fund its health-care programs in a way not so exposed to economic cycles."

That's not likely to happen any time soon. Leading health researchers at the Urban Institute on April 29 warned that each percentage-point rise in unemployment would result in an additional 1.1 million people losing health insurance; add that to the 47 million Americans who are currently uninsured. Virtually all of those newly uninsured will be forced to enroll in Medicaid or the State Children's Health Insurance Program, the government's primary low-income health plans. To support the growing registry, these health plans will need $3.4 billion in additional funding, at least $1.4 billion of which will have to come from state legislatures. But the extra money will be difficult to collect, as states' revenues and the economy continue to shrink. Nearly 30 states are already forecasting budget shortfalls for the coming year exceeding $39 billion. "Most states at this point simply can't afford to give any additional people health care," Fairbrother says.

More and more, workers can barely afford to keep it. In recent years, most people have seen larger chunks of their paychecks going to health-insurance premiums. Indeed, premiums have increased 10 times faster than incomes, according to a study released by the Robert Wood Johnson Foundation last Wednesday. In 2005, the average American family paid 30% more for health coverage than it did in 2001, while incomes rose only 3% in the same period. In dollar figures, that's a $2,500 price increase each year. What's more, the study found, the number of private companies offering health benefits to employees shrank by 30,000. "Providing insurance coverage takes a bigger bite from the family budget every year," says Robert Wood Johnson's CEO Dr. Risa Lavizzo-Mourey.

It's a situation that has driven Americans to new extremes. Some 7% of people polled by the Kaiser Family Foundation in April reported that one member of their household got married to a health-insured person within the past year just to get a piece of the benefits. More commonly, however, families went without medical attention. Twenty-nine percent of people said they'd put off necessary care, 24% had delayed a medical test or treatment and 23% said a prescription had gone unfilled. But none of this is surprising when you consider that one in three people surveyed also said they or their family had had serious trouble paying for health care over the past year. "Many people view health and the economy as separate issues," says Kaiser CEO Drew E. Altman. "But the cost of health care is a significant pocketbook issue for many families."